



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - Public distribution

Date: 7/11/2008

GAIN Report Number: JA8045

Japan

Fishery Products

Japanese Fishermen Protest Rising Oil Price 2008

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Report Highlights:

High fuels prices are hampering fishing operations in Japan. In the past month, sixteen fishery organizations including the Japan Fishery Association and National Federation of Fisheries Cooperative Association -- are calling for fishing work stoppage in July. Among the most highly publicized is the All Japan Squid Fishing Council (AJSFC), a voluntary association, which stopped fishing for two days from June 18, 2008 to draw attention to their plight. Tuna Fishing Co-op announced on July 4th it will partially stop fishing for two years from August 1st, 2008. The purpose of their demonstration is to protest against escalating gas prices. However, some say the work stoppage may just drive prices higher thereby encouraging consumers to divert consumption toward meat.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Tokyo [JA1]
[JA]

Japan is one of the world's biggest seafood consuming nations, with per capita consumption of 34.4 kg/year (versus the United States at about 7.5 kg/year). Nevertheless, consumption has been on the decline and the fishery sector has been faltering due to decreasing demand, dwindling domestic fish resources and a shrinking industry population. (For more on the Japan Fisheries situation please see [GAIN JA7059 at USDA Foreign Agricultural Service \(FAS\)](#))

Thus, the added burden of high fuel prices has brought some Japanese fisherpersons to the brink. Sixteen fishing related associations including two major bodies – the Japan Fisheries Cooperatives and Japan Fisheries Association – organized a work stoppage where boats nationwide stayed at port on either one of two dates, July 15 or July 16, 2008. The Japan Fisheries Cooperative is one of the largest fisherman's organizations in Japan with about 1100 coastal fishing operation members and the latter is the umbrella organization for the entire fishing industry of Japan which has more than 400 members. Two hundred thousands motor fishing boats will be expected to join. Also Japan Sea Aquaculture Association will stop shipping to tie up. Such moves may serve to prop up the relative importance of the fisheries cooperatives that have themselves been under threat by the recent deterioration of the fishing industry. Japan had 2,377 fisheries cooperatives in 2005. Three quarters of these are running a deficit and efforts are underway to merge in order to improve their business infrastructure.

The All Japan Squid Fishing Council, which is a voluntary association, organized the July 18-19 strike of 3,000 squid-fishing boats or 70% of the total from 20 prefectures. They want to convey the seriousness of the situation facing the fishing industry due to high fuel prices and slumping fish prices. As a rule, retail fish prices are controlled by major chain stores that are notorious for keeping prices flat. Japanese fishing boats, they say, are disproportionately affected by the high fuel costs because squid fishing relies on the use of many fishing lamps to attract squid. Thus, squid fishing consumes a large quantity of fuel to generate electricity during fishing. Consumption of heavy fuel oil per boat is about 1.2 kiloliters per voyage which is five times more than the same-size dragnet fishing boat and more than 20 times the size of the average car gas tank. According to AJSFC, the average retail price of boat fuel in 2007 increased 1.8 times than that of 4 years ago and it has been increasing 30% this year to 105,000 yen per kiloliter (USD 3.75/gallon). AJFSC estimated that if the fuel price exceeds 130,000 yen per kiloliter, 18 to 36% of the 125,000 fishing entities in Japan will have to discontinue business and 32 to 48% of domestic fishing production (5.7 million metric tons) will be expected to decrease. The industry says the situation is extremely serious and they are appealing to the government for assistance. Seventy squid fishermen from 12 prefectures formed a delegation to bring their demands to the Fishery Agency (Ministry of Agriculture, Forestry and Fisheries) to increase the government subsidy in order to compensate fishermen for the fuel price.

In addition to squid fishing, the largest distant tuna fishing association in Japan, Tuna Fishing Co-op (TFC), announced on July 4th that it will stop fishing partially for two years from August 1st, 2008, because of soaring fuel prices and in order to protect the decreasing tuna population. As a result, tuna supply from the Co-op will decrease 10 percent during the period. There are about 380 distant tuna fishing boats in Japan and 233 boats belong to the Co-op. According to the plan, the fleet will hold back 100 boats in the first year and 133 boats in the second year for a couple of months. They are soliciting cooperation from other tuna fishing organizations and there is a possibility all 380 boats will stop fishing. If so, the supply would go down by 100,000 mt per year for the big eye tuna and yellow fin tuna caught by these distant fishing fleets. That is 20 percent of the entire volume of tuna distributed in Japan annually including imports. TFC said that they had been trying to cut costs but the current fuel price was too high to bear alone, i.e. without passing along the cost to consumers, wholesalers and distributors. Since distant tuna fleets must freeze the

tuna and store them on board until their return to dock their fuel input costs are much higher than the average fishing fleet. Distant tuna fishing operations in four countries -- Japan, China, Korea and Taiwan -- agreed to suspend fishing on June 28, 2008. There are about 1,200 pelagic longline tuna fishing boats in the world and almost 90 percent of boats belong to these four countries. Therefore, 30 percent of boats will be expected to suspend fishing. Fishing quotas of premium tuna such as Bluefin tuna and southern bluefin tuna are regulated by international organizations and this time target tuna are bigeye and yellowfin tuna. Japan imports almost 50 percent of tuna from the three countries so this fishing suspension could increase tuna prices in middle and long term.

While some opportunities may exist for squid and tuna fishing fleets outside the region, Post does not expect this situation will have a major impact on U.S. seafood sales. The majority of imports from U. S. are sockeye salmon, surimi and various fish roe.